

covering estimates, appropriations, accounting, reporting and conditions governing expenditures.

To collect this necessary information, analyze its essentials and assemble them into a budget, requires a special organization of experts not now in existence or provided for. The commission on economy and efficiency was an approximation to such a group of experts. The proposal of the commission is that a permanent bureau of administrative control be established to act as "a central information plant," send forms to departments, assist and direct in the gathering of data, then to shape this material into a serviceable budget—a plan board and a statement to stockholders—putting in summaries the wanted knowledge about government business—this to be sent by the president to congress. Such a bureau, at immediate service of all government officials, would bring facts to bear on the problems of our billion-dollar book-keeping.

Though a committee on expenditure is provided in the rules of the house for each of the departments, these committees have assumed critical powers rather than shown a disposition to assist, advise and co-operate with department heads. The latter would be the function of the proposed administrative bureau in charge of preparing the budget. Such a bureau would keep currently on record the data sought by committees on expenditures or by persons or organizations. Its function would concern the business and not the politics or policies of the government. As to whether the government should build more battleships, it would say nothing; as to how the government should build or buy the best battleships for the money set aside, it might say much.

Urging the need for a central bureau of information to prepare a budget, the commission commented, "The present method of drawing up estimates and presenting them to congress furnishes a continual and potent temptation to extravagance and waste. With each bureau or department head free to request whatever amount his judgment or enthusiasm may dictate, it is natural * * * that no really serious attempt is made to consider the relations of a particular service to a large group of services. It is taken for granted that appropriations requested are not an honest expression of what is needed, and that each head who submits an estimate does so expecting that it will be discounted and, therefore, pads his estimates accordingly.

"Committees of congress are deprived of information about the actual needs of the service, and of the co-operation of the administration. The two branches are much on the same plane as would be a partnership in which each partner is holding out against the other and seeking to put him in a position of personal disadvantage. Under such circumstances, there can not be the mutual confidence essential to effective co-operation."

The proposed bureau of administrative control would gather this requisite information from the departments and lay it before congress in the form of a budget without increased expense to the government. The nucleus of such a bureau exists already in offices which it is proposed to transfer and combine. These offices are: Comptroller of the treasury, auditors of the treasury, war, navy, interior, post office, state and other departments, division of public moneys and division of bookkeeping and warrants. The annual appropriations for this service amounts to \$1,661,470 and would be adequate to do "not only the work at present done by them, but also all the other work recommended."

Such a specific organization would report to the business men of the nation all the valuable lessons gained out of government contact with successes and failures in methods of management, production and distribution. As the central station for the accounting and the efficiency engineering of a public welfare corporation, spending more money every year than the total capitalization of the largest corporation of the nation, it would gather a vast mass of knowledge on the principles of buying, the handling of men, the making of contracts, the standardization of methods, and like vital subjects.

Besides its broad work on the budget, it might make minor efficiency and economy studies of such questions as: the cost to the government of buying and maintaining the thousands of typewriters used; how much would be saved in extension of pneumatic tube service; how much in making out pay rolls by mechanical means instead of by hand or typewriter, as is done in many offices; how to secure accurate

unit costs on heating, lightning and cleaning government buildings in Washington and elsewhere; how to improve the light, ventilation and sanitation of government buildings that have been condemned by the Washington municipal health and building authorities as menaces to the health and safety of the men and women who use them.

In this single matter of housing in Washington, for instance, the bureau would bring order out of confusion. Payment of rentals is so involved that the aggregate is actually not known. Policy or plan there was none; usually the most opportune course was adopted in each case. Once adopted, however, it speedily became a fixed method, a precedent which was perpetuated because there was no one with authority to look into it, analyze it and determine whether or not the quarters were suitable to the work done in them or the most economical available for that work. Like Topsy, the housing system for government offices "just grew." Individuals recognized the appalling incidental waste and protested; but there was no central authority to take the matter in hand, investigate, organize and rearrange on efficiency lines.

"We have spent three million dollars buying land down opposite the treasury building upon which to place three departments, but we do not seem to get to the point of appropriating money for the buildings," said the chairman of the senate appropriations committee at one hearing this year. On the same occasion, it was stated that a plot of ground was bought more than ten years ago for a hall of records, but that no headway had yet been made toward building.

Seventy-six good office rooms of the war department in the high rent district are "cluttered with files seldom used." The office forces of the department, instead of being centralized, are scattered over fourteen buildings; \$29,000 a year in rents are paid by this department alone in Washington. A large corridor in the pension office, which is used once every four years for an inaugural ball, would make an excellent stockroom for files. Civil war documents of irreplaceable historical value are stored in a building well known to be a fire trap. Storage of records at other points is cumbersome, wastes space and raises the rent bill. It would pay the country to invest one hundred million dollars in land and buildings in order to save the rent now paid in the District of Columbia.

Stopping such leaks the moment they occur—plugging waste holes before resources trickle away to nothingness—finding and enforcing fair and reasonable standards in buying materials and service—it is toward these results that business men are turning their keenest attention and fiercest energies. All along the line, the high rewards are offered to those who can cut the costs of operation and make the buying dollar buy more than it purchased yesterday.

This hatred of waste, this urge towards efficiency is the force behind the demand that the government shall have a budget—shall apply in the far-flung circle of its services and establishments approximately the same standards of personal and organization efficiency which the average business man enforces as the price of its business life. Because congress can squeeze an extra hundred million dollars out of the country's tax payers any time it chooses, that is no reason why the hundred million should not be saved instead of raised by a fresh tax levy. Because the last congress appropriated eleven hundred million dollars instead of the usual billion, there is an added reason why every dollar of that sum should be spent wisely, should buy maximum value in service or floor space, in transportation or food stuffs, in factory materials or office supplies.

Comes then the question: "Can the government buy wisely without a budget?" Any business man of experience will answer that until each department reduces the chaos of its activities to an organized program of work, and bases its estimates of money needed on this program, the nation's business will continue to be done by guess and rule-of-thumb. And, as in any other business, the first step toward making wrong right, is complete, accurate, digested information about the work to be done, the right way to do it and the reasonable cost of accomplishing it.

This information a budget will give—these standards of value and working efficiency a bureau of administrative control will define and apply. Facts instead of guesses, exact totals instead of optimistic approximations, comprehensive summaries instead of a vague and intermin-

able array of items laid before the general manager and the board of directors of the United States for their guidance and the country's administration. It is not politics or statecraft or diplomacy that is involved. It is plain business. And the business men of the country have come to the point where they want to see their tax dollars buy more service and less waste.

A BANK PRESIDENT'S SUGGESTION

Winfield, Kan., June 6, 1913.—To The Commoner: There has been so much talk concerning a "Central Bank," "National Reserve Association," "The Aldrich Plan," etc., until it has become an "old story" and but little nearer solution of the problem than when the start was made. With some temerity, I suggest "Government Guaranty of Deposits of National Banks." This can be done through the office of the comptroller of the treasurer at very little additional expense and at a minimum cost to national banks. It has been shown conclusively that an assessment of one-thirtieth of one per cent would cover the requirement, and I doubt if this assessment would be required more than one year in three. The very fact of a government guaranty would at once greatly cut the failures, which are, even now, practically nothing. It seems to me that this would simplify matters and relieve the anxiety as to the matter being handled by a few men, and divorce it entirely from "Wall street influence."

Quoting from Senator Owen, chairman of the senate committee on banking and currency: "Covering the active national banks for the past forty-nine years, there has been an annual loss of .0362 per cent." A small amount. With a government guaranty, this would be cut more than one-half, so this is my reason for saying that one-thirtieth of one per cent, made once in three years, would meet the exigencies of the case—don't you think so?

I merely make these remarks as a suggestion and would like to hear from other national bankers. Very truly, W. C. ROBINSON, President First National Bank, Winfield, Kan.

THE ADMINISTRATION'S PEACE PLAN

Following is an Associated Press dispatch: Washington, June 22.—With the acceptance in principle of the president's peace plan by eighteen nations, Secretary Bryan has felt encouraged to develop some of the details of the plans which so far have been only generally outlined. He made a statement today touching the composition of the proposed commission to investigate controversies designed to meet suggested objections that it would be impossible to provide unbiased bodies of investigators, whose findings would command respect of the principles.

The statement is as follows:

"Mr. Bryan in stating to the newspapers that eighteen nations had now accepted the principle of the president's peace plan, gives some of the details suggested for the completion of the plan. The plan contemplates a permanent international commission, and the president suggests that the committee be composed of five nationalities as follows. One member from each of the contracting countries to be chosen by the government, one member to be chosen by each of the contracting countries from some other country and the fifth member of the commission to be agreed upon by the two governments, the commission to be appointed as soon as convenient after the making of the treaty; vacancies to be filled according to the original appointment.

"This is merely a suggestion. This government is ready to consider any proposition that the contracting parties may desire to make."

PERFECTLY HUMAN

The trouble with Senator Martine of the committee investigating the West Virginia terrorism appears to be that he insists upon making his report as he goes along. Everything that he hears and sees fills him with voluble surprise, indignation and rage. He sympathizes oratorically with the afflicted and oppressed; he becomes denunciatory in the presence of cruelty and tyranny on the part of the powerful, and the quibbles of a mine attorney move him to picturesque imprecations.

It will be remembered that this was the complaint against the elder Weller at the trial of the celebrated breach-of-promise case in which Mr. Pickwick was unhappily involved, but did anybody question Tony's honesty of purpose or intelligence or devotion to justice or sobriety? No!—New York World.